

[CLICK HER FOR THE BOARD LETTER](#)

[CLICK HER FOR THE MEMO](#)



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"Enriching Lives"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
www.ladpw.org

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE
REFER TO FILE: **PM-2**

March 4, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**EARTHQUAKE RECOVERY PROJECT
AWARD SUPPLEMENTAL AGREEMENT 15
SPECS: VARIOUS; DSR: VARIOUS
ALL SUPERVISORIAL DISTRICTS
3 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

Award and authorize the Director of Public Works to execute a supplemental agreement to Contract IS 11659 with Disaster Recovery Managers to provide additional earthquake recovery construction project management and support services for a one-year period with two one-year renewal options for an aggregate not to exceed fee of \$3,881,000 to be financed by the Federal and State Disaster Aid Budget and to establish the effective date following Board approval.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended action will continue the construction project management services provided by DRM to repair Northridge earthquake-damaged County facilities. The current contract expires on March 31, 2004.

Public Works and DRM staff have completed 98 percent of the 1,002 earthquake recovery projects. A total of eight projects remain on hold pending resolution of our insurance litigation. In addition, DRM has been instrumental in supporting the Chief Administrative Office by preparing documentation for submittal to FEMA and by providing detailed project information and support for insurance claims and litigation.

As management and support requirements change with the completion of projects, staffing from DRM has been adjusted. Since April 2001, DRM staff has been reduced from 24 to 12 persons and specific support staff have been converted to on-call status to preserve knowledge of project history while meeting the constraints of project budgets.

Familiarity with the FEMA process, in-depth knowledge of project history, an understanding of County procedures and policies, and the maintenance of comprehensive project data by DRM staff has been critical to project closeout reporting.

Therefore, we are recommending an extension of the DRM contract to March 2005 with annual renewal options to March 2007 to be executed by the Director, based on the completion dates of current and anticipated projects. Commensurate with the extension, we are requesting a \$3,881,000 increase in funding. Continuing the contract with DRM will maintain continuity in project execution and documentation through completion of the remaining earthquake recovery projects. If the remaining on-hold projects are authorized, we will return to your Board with recommendations for project-by-project completion.

Implementation of Strategic Plan Goals

This action meets the County's Strategic Plan Goal of Service Excellence by taking appropriate action to complete earthquake recovery projects and provide the community with structurally sound buildings.

FISCAL IMPACT/FINANCING

The recommended supplemental agreement is for a not to exceed fee of \$3,881,000. Sufficient funds are available in the Federal and State Disaster Aid Budget for awarding the recommended agreement. Prosecution of FEMA/OES-approved, disaster-related

project functions is financed through the FEMA/OES disaster claiming process and insurance proceeds, as appropriate.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard supplemental agreement, in the form previously approved by County Counsel, will be used. The existing consultant services agreement with Disaster Recovery Managers includes the standard Board-directed clauses that provide for termination of services, renegotiation, hiring qualified displaced County employees, Greater Avenues for Independence Program/General Relief Opportunity Work, Safely Surrendered Baby Law, Contractor Employee Jury Services Program, and Child Support Compliance.

ENVIRONMENTAL DOCUMENTATION

Awarding this supplemental agreement will have no environmental impact.

CONTRACTING PROCESS

On June 30, 1995, a Request for Proposal was issued for construction project management services to assist the County in the management of the repair/rebuilding of County facilities damaged as a result of the 1994 Northridge earthquake. Proposals were received from eight firms and assessed by an evaluation committee comprised of members from the CAO and Public Works. DRM, a joint venture of the Parsons Corporation; Brown & Root, Incorporated; and Pacifica Services, Incorporated, was selected as the firm best qualified to provide the required services and on March 19, 1996, your Board authorized an agreement (IS 11659) with DRM for a not to exceed fee of \$4,484,000 for an initial six-month contract period. Based on performance and assistance in preparation of the strategic plan for earthquake recovery, your Board approved a supplemental agreement on December 10, 1996, extending the contract through December 1999 and increasing the not to exceed fee to \$12,582,199.

To date, the DRM contract has been supplemented 14 times including seven no-cost time extensions. The enclosure presents the contract summary. The current contract for a total aggregate fee of \$34,885,237 will expire on March 31, 2004, with one-year option remaining. DRM agreed to provide additional services for a total aggregate not to exceed fee of \$38,766,237 with an increase of \$3,881,000 for services through March 2007.

The Honorable Board of Supervisors
March 4, 2004
Page 4

This contract includes the required COLA language and complies with County policy.

The negotiated fee has been reviewed by Public Works and the CAO and is considered reasonable for the scope of work.

Public Works has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended agreement as this agreement is for non-Proposition A services.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no negative impact on current County services or projects during the performance of the recommended services.

CONCLUSION

Please return one adopted copy of this letter to Public Works.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

AF:bb
U:\CMN\ANITA\DRMCntrc\Delmemos&Brdltrs\DRM SA 15 Brdltr.doc

Enc.

cc: Chief Administrative Office
County Counsel
Department of Public Social Services (GAIN/GROW Program)

March 4, 2004

ENCLOSURE

EARTHQUAKE RECOVERY PROJECTS AWARD SUPPLEMENTAL AGREEMENT 15

I. CONTRACT COST SUMMARY

Cost Category	Date Signed	Board Approved Contract Amount	Impact of this Action	Total Proposed Contract Amount
Base Contract (IS -11659)	04/10/96	\$ 4,464,000		\$ 4,464,000
Supplement 1 – 1A	10/03/96 12/12/96	0		0
Supplement 2	12/17/96	\$ 8,118,199		\$ 8,118,199
Supplement 3	12/15/97	0		0
Supplement 4	01/29/98	\$ 1,303,000		\$ 1,303,000
Supplement 5	08/18/98	\$ 166,800		\$ 166,800
Supplement 6	01/21/99	0		0
Supplement 7	01/29/99	\$ 7,347,000		\$ 7,347,000
Supplement 8	09/30/99	\$ 24,974		\$ 24,974
Supplement 9	12/13/99	0		0
Supplement 10	02/30/00	0		0
Supplement 11	03/29/00	\$ 9,214,264		0
Supplement 12	03/29/01	0		0
Supplement 13	03/27/01	\$ 4,247,000		0
Supplement 14	03/18/03	0		0
Supplement 15			\$ 3,881,000	0
TOTAL			\$ 3,881,000	\$ 38,766,237

* No-cost time extensions

**Increased office space



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
www.ladpw.org

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

March 25, 2004

IN REPLY PLEASE
REFER TO FILE: **PM-2**

TO: Each Supervisor

FROM: James A. Noyes
Director of Public Works

EARTHQUAKE RECOVERY PROJECT AWARD SUPPLEMENTAL AGREEMENT 15 BOARD AGENDA DATE: MARCH 30, 2004

On March 16, 2004, your Board continued Agenda Item 49. The purpose of this report is to provide additional information regarding our recommendation to award Supplemental Agreement 15 to Disaster Recovery Managers' agreement for project management support services for a one-year period with two one-year renewal options for an aggregate not to exceed fee of \$3,881,000.

Public Works and the Chief Administrative Office chose to use contractors who specialize in disaster project management services for the earthquake recovery project since the personnel could be phased out at the conclusion of the work. This was done as an alternative to hiring full-time staff that would not be needed after completion of the project.

Attachment I provides a summary of pertinent discussions and agreements held with FEMA prior to the inception of the Earthquake Recovery Program. Attachment II summarizes our past and projected use of contract personnel since the peak workload of the contract in March 1999. Also shown are the volume and value of earthquake repair projects associated with the contract.

ME:sfU:\COMMON\Erp_pm\MASSOOD\DRMBrg3.24.04.doc

Attach.

cc: Supervisor Gloria Molina (Carrie Sutkin)
Supervisor Yvonne Brathwaite Burke (Chuck Bookhammer)
Supervisor Zev Yaroslavsky (Maria Chong-Castillo)
Supervisor Don Knabe (Curt Pedersen)
Supervisor Michael D. Antonovich (Paul Novak)
Chief Administrative Officer (Carol Kindler)
Executive Office

ATTACHMENT I

EARTHQUAKE RECOVERY PROJECT SUPPLEMENTAL AGREEMENT 15 SUMMARY OF DISCUSSIONS WITH FEMA

At the inception of the Earthquake Recovery Project, discussions were held with FEMA to garner their support for contracted project management services that would benefit both the County and FEMA to achieve responsive completion of earthquake recovery projects. Following are the contracting criteria agreed upon with FEMA:

- Contract staff performs only earthquake recovery services.
- Details of the contract and tasks were approved by FEMA for eligibility.
- Detailed tracking and billing of specific eligible tasks by project provides data necessary for stringent audit requirements.
- Contract staff would be specifically trained to process projects within FEMA's strict guidelines and requirements.
- No loss of earthquake recovery expertise if staff has to be moved from project to project within earthquake recovery as demands or deadlines change.
- Ability to contract and phase out staff quickly as the number of projects diminish thereby eliminating unnecessary discussion with FEMA on staff being underutilized and/or performing nonearthquake recovery work.

ATTACHMENT II

EARTHQUAKE RECOVERY PROJECT
SUPPLEMENTAL AGREEMENT 15

DRM Contract

Signed: 4/10/96

Supplements: 6 Board-approved; 8 no-cost time extensions

Current contract value: \$34,885,237

Supplement 15 request: \$3,881,160

DRM Staffing

Staff Category	Peak	Current	Projected		
	Mar - 99	Mar - 04	Mar - 05	Mar - 06	Mar - 07
Project Management	10	3	2	1	1
Support Services ¹					
Contract Administration	3	0	0	0	0
Schedulers	4	0	0	0	0
Cost Specialists	5	2	2	2	1
Document Control	11	6	5	4	2
Clerical	3	1	1	1	0
On-call Technical	0.75	0.5	0.5	0.25	0.25
Total:	36.75	12.5	10.5	8.25	4.25

DRM Expenditures ²

Project-Specific Activities	\$23,705,000
Overall Program Administration Activities	\$7,353,000
Insurance Litigation Support	\$596,000
Reimbursable Costs: office space, supplies, etc.	\$ 2,435,000
Total	\$34,089,000

Project Status:

Completed Projects: 982; design through construction cost of \$151,099,000

Active Projects: 12; design through construction cost of \$24,429,000

On-Hold Projects: 8 insured plus the Hall of Justice; estimated design through construction cost of \$253,751,000

¹ Supports all project managers assigned to earthquake recovery, including County and other consultants

² Actual cost through February 2004

Active Projects:

- Central CoGeneration Plant SD 1
- Central Health Center SD 1
- LAC + USC Outpatient SD 1
- LAC + USC Crematorium SD 1
- LA Metropolitan Branch Court SD 1
- MLK Power Plant SD 2
- Van Nuys Superior Court, Phase 2 SD 3
- Torrance Health Center SD 4
- Alhambra Health Center SD 5
- Camp Routh, Phase 2 SD 5
- Olive View Conference Center SD 5
- Olive View Old Warehouse SD 5

On-Hold Insured Projects:

- Auto Park 10 SD 1
- Auto Park 18 SD 1
- Central Jail, Main Building SD 1
- County Courthouse SD 1
- Kenneth Hahn Hall of Administration SD 1
- Beverly Hills Court, Phase 2 SD 3
- Van Nuys Municipal Court SD 3
(returned to hold status by County Counsel in January 2004)
- Pasadena Court SD 5

On-Hold Uninsured Project:

- Hall of Justice SD 1